

111TH CONGRESS
2D SESSION

H. R. 6341

To establish a loan program to promote energy conservation in rural areas.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2010

Mr. HOLDEN introduced the following bill; which was referred to the
Committee on Agriculture

A BILL

To establish a loan program to promote energy conservation
in rural areas.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. GROWING RURAL ENERGY EFFICIENCY NET-**
4 **WORKS.**

5 The Rural Electrification Act of 1936 (7 U.S.C. 901
6 et seq.) is amended by inserting after section 313A the
7 following:

8 **“SEC. 313B. GROWING RURAL ENERGY EFFICIENCY NET-**
9 **WORKS.**

10 “(a) DEFINITION.—In this section the term ‘eligible
11 borrower’ means—

1 “(1) an entity that has received a loan or loan
2 guarantee under this Act; or

3 “(2) a cooperative that is eligible to receive a
4 loan or loan guarantee under this Act.

5 “(b) INTEREST-FREE LOANS.—The Secretary shall
6 establish an initiative to promote energy efficiency by pro-
7 viding interest-free loans for the purposes of—

8 “(1) making energy efficiency improvements;
9 and

10 “(2) achieving energy conservation.

11 “(c) LOAN PURPOSES.—To promote the purposes de-
12 scribed in subsection (b), the Secretary shall make inter-
13 est-free loans to eligible borrowers to encourage such bor-
14 rowers to—

15 “(1) invest in and facilitate consumer energy ef-
16 ficiency improvements; or

17 “(2) increase energy conservation.

18 “(d) REPAYMENT TERMS.—In carrying out this sec-
19 tion, the Secretary shall establish such reasonable terms
20 and conditions as necessary to ensure participation by eli-
21 gible borrowers.

22 “(e) FUNDING.—The Secretary shall use the fees col-
23 lected pursuant to section 313A(c) to provide the interest-
24 free loans authorized under this section.

1 “(f) LIMITATIONS.—In carrying out this section, the
2 Secretary shall—

3 “(1) use only those fees required under section
4 313A(c) that are collected for loans guaranteed
5 under section 313A after the date of the enactment
6 of this section; and

7 “(2) require that the amount of the annual fee
8 paid for the guarantee of a bond or note under sec-
9 tion 313A be equal to 50 basis points of the amount
10 of the unpaid principal of the bond or note guaran-
11 teed under such section, and an additional loan
12 origination fee equal to 50 such basis points shall be
13 paid at the time the guarantee is approved.

14 “(g) PROGRAM LEVEL.—The Secretary shall approve
15 \$3,000,000 in loan guarantees under this section to quali-
16 fied lenders as described in section 313A(b)(3) for the fis-
17 cal year ending September 30, 2010.

18 “(h) SUNSET.—Subsection (f) shall not be effective
19 on or after September 30, 2011.”.

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